

**STATEMENT OF
U.S. SECRETARY OF EDUCATION ROD PAIGE
BEFORE THE
HOUSE BUDGET COMMITTEE
WASHINGTON, DC
WEDNESDAY, FEBRUARY 11, 2004**

Mr. Chairman, Representative Spratt, and Members of the Committee, thank you for inviting me to testify on behalf of President Bush's 2005 budget for the Department of Education. Before I discuss the facts and figures, I think it is important to preface our discussion with some comments about the federal role in education.

FEDERAL ROLE IN EDUCATION

The *No Child Left Behind Act* — and the President's budget to support it — is best understood within the context of this federal role. Because the Constitution was silent on the issue of public education, it is a responsibility of the states, including funding. However, we do have a national interest. Although the federal government has been involved in education since the late 1800s, it only took a prominent role with the enactment of the *Elementary and Secondary Education Act of 1965*. But the increased funds from this initiative proved to be an incomplete solution. In 1983, when the National Commission on Excellence in Education issued the groundbreaking report entitled *A Nation at Risk*, they chose their words purposefully. They did not issue a report entitled "A Few States at Risk." Educational inequity does indeed place our nation at risk—and it is for this reason that the *No Child Left Behind Act* is an important component of ensuring our nation's well-being.

Our role at the U.S. Department of Education is to supplement state and local efforts, not to supplant them. A uniform set of "federal standards" does not exist. *No Child Left Behind* requires that states devise their own set of standards in order to achieve the law's goals. By June 2003, for the first time in our nation's history, every single state, the District of Columbia and Puerto Rico had developed an accountability plan to ensure every single child is receiving the high-quality education they deserve. Each state determined its own standards and now has a plan in place to help its students meet these state-defined standards. The President's 2005 budget request builds on this supplemental—yet vital—role.

A KEY YEAR FOR NO CHILD LEFT BEHIND

Mr. Chairman, fiscal year 2005 is a critical year for *No Child Left Behind*. The 2005 appropriation will fund the 2005-2006 school year, a year that will witness two significant milestones under the new law. First, states and school districts will begin testing all students in grades 3-8 in reading and mathematics. With the information provided by these annual assessments, teachers will have the data they need to teach each student effectively—and parents will be empowered to make informed choices for their children's educational outcomes.

Second, all teachers must be highly qualified by the end of the 2005-2006 school year. To be “highly qualified,” a teacher must hold a bachelor’s degree in the core academic subject he or she teaches, hold a certification or licensure to teach in the state of his or her employment, and have proven knowledge of the subjects she or he teaches. There is no better way to improve education than by putting a highly qualified teacher in every classroom. The *No Child Left Behind Act* recognized this fact, and we continue to work hard with states to make it a reality.

MAJOR PROGRAM INCREASES

The President’s budget proposes \$57.3 billion in discretionary appropriations for the Department of Education in fiscal year 2005. This represents an increase of \$1.7 billion, or 3 percent, over the 2004 level, and an increase of \$15.1 billion, or 36 percent, since President Bush took office in 2001.

As was the case in the President’s previous education budgets, most new resources are dedicated to three major programs that form the cornerstone of the federal role in education. For the **Title I Grant to Local Educational Agencies** program, the President is seeking \$13.3 billion, an increase of \$1 billion over the 2004 level.

Title I helps the children who are most in need of extra educational assistance, who are most in danger of falling further behind. Our determination to help these students—which I know is shared by the Members of this Committee—is reflected in a request that would complete a \$4.6 billion increase, or 52 percent, in Title I funding since the passage of the *No Child Left Behind Act*.

The President also is asking for his fourth consecutive \$1 billion increase for the **Special Education Part B Grants to States** program. Under the request, funding for Part B Grants to States would rise by \$4.7 billion, or 75 percent, since 2001. This represents the highest level of federal support ever provided for children with disabilities.

And for the need-based **Pell Grant** program, the budget includes an increase of \$856 million, for a total of \$12.9 billion. This level would fully fund the cost of maintaining a \$4,050 maximum award and providing grants to an estimated 5.3 million postsecondary students. I would point out to the committee that more than one million additional students are now receiving Pell Grants than when the President took office.

Included in this increase is \$33 million for **Enhanced Pell Grants for State Scholars**. We know that students who complete a rigorous curriculum in high school are more likely to pursue and succeed in postsecondary education. This proposal would provide an additional \$1,000 for low-income postsecondary freshmen who took challenging courses in high school.

JOBS FOR THE 21ST CENTURY

Another priority is President Bush’s **Jobs for the 21st Century** initiatives, which would help ensure that middle and high school students are better prepared to succeed in postsecondary education and the workforce. These proposals focus on improving

instruction to ensure students are performing on grade level in reading and mathematics and on increasing the rigor of secondary school curricula. The Department's share of the **Jobs for the 21st Century** initiative includes \$220 million to improve the reading and math skills of secondary school students who are performing below grade level.

The request for vocational education complements **Jobs for the 21st Century** by proposing a \$1 billion **Secondary and Technical Education State Grants** program that would more closely coordinate high school and technical education. It also includes \$12 million to increase the number of states implementing rigorous high school programs of study in order to prepare students for postsecondary education and the workforce. This program would work to improve academic achievement and successful transitions from high school to further education and the workforce.

OTHER PRIORITIES

The 2005 request provides new funding in other ongoing priority areas, such as reading, expanding choice options and support for postsecondary institutions serving large percentages of minority students.

Funding for **Reading First** would grow by \$139 million, or more than 12 percent. Reading First offers children in grades K-3 the benefits of research-based, comprehensive reading instruction designed to help meet the President's goal that all children read on grade level by the end of third grade.

Funding for research would rise by 12% under the budget request to help us better evaluate what works in education.

Our budget also reflects the importance of extending educational options to all parents and students—not just to those who can afford this freedom. *No Child Left Behind* has greatly expanded the choices available to students in low-performing schools, including both the option to transfer to a school that will better meet their needs and to obtain supplemental educational services like after-school tutoring. And this fall we will for the first time provide federally funded opportunity scholarships to low-income students in the District of Columbia.

The President's 2005 budget would build on these achievements by investing an additional \$113 million in expanding choices for students and parents. This includes \$50 million for a new **Choice Incentive Fund**. This fund would provide competitive awards to states, school districts and community-based nonprofit organizations to provide parents the opportunity to transfer their children to a higher-performing public, private or charter school.

The request also includes a \$63 million increase for the **Credit Enhancement for Charter School Facilities** program. This program will assist with one of the biggest obstacles to starting a charter school—finding and affording a decent facility.

Finally, our request reflects the President's ongoing commitment to postsecondary institutions that serve large numbers and percentages of minority students. We are asking

for a total of \$515 million for these institutions, an increase of almost \$21 million, or 4 percent, over the 2004 level.

MANAGEMENT IMPROVEMENTS

Before I conclude, I want to mention some of the improvements we have made in managing the Department and its programs. I knew when I came to the Department that if we were going to expect states, school districts and schools to implement *No Child Left Behind* and be accountable for the achievement of students, we would have to demand that same kind of accountability from ourselves.

Now, because of a concerted effort on the part of Department staff, taxpayers can rest assured that their hard-earned tax dollars will be managed responsibly. Fiscal year 2003 marked the second consecutive year that the Department received an unqualified “clean” opinion from its financial auditors. That may not seem like something worth celebrating, unless you know that the 2003 “clean” opinion was only the third “clean” audit in the Department’s 24-year history. And, along with the 2002 audit, they are the only “clean” opinions to be delivered by an independent auditor.

We also are continuing to make progress in all areas of the *President’s Management Agenda*. Two weeks ago, the Office of Management and Budget announced that the Department received a major upgrade on financial performance—moving from a RED to GREEN status score. Our performance is ranked in the top one-third of all government agencies and reflects our continued determination to inject accountability into everything we do here at the Department of Education.

CONCLUSION

The President’s 2005 budget request for education demonstrates his ongoing commitment to investing in educational excellence and achievement for all students. Nearly 50 years have passed since the historic *Brown v. Board of Education* decision. In the years that followed, we found that educational *access* did not automatically produce educational *equality*. We still have much work to do to ensure that a high-quality education is available to all students. I believe the *No Child Left Behind Act* is the logical next step to the *Brown* decision. The best way to eliminate racial inequality in our society is to close the achievement gap. By ensuring that all students count and their achievement is regularly assessed, we are extending civil rights and social justice. We have joined together to declare that it is no longer acceptable to shuffle students through the system and console ourselves with excuses for poor student achievement. Our public schools not only serve the public; in many ways, they create the public. They will set the future course of our nation.

Mr. Chairman, when I last appeared before this committee, *No Child Left Behind* was a blueprint, a set of proposals. In the time since *No Child Left Behind* became law, we have made tremendous progress in building a solid foundation for educational equity. Now as we enter the third year of this legislation, I believe we are witnessing an historic moment. *No Child Left Behind* extends the full promise of freedom to all of our nation’s

students. I can think of no more effective program to ensure the future strength, security and vitality of our nation.

Thank you. I would be pleased to respond to any questions you may have.

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